

### WIOA Youth Program

#### About WIOA

The Workforce Innovation and Opportunity Act (WIOA) is landmark legislation signed into law in July 2014 that seeks to transform the workforce system to help job seekers and workers succeed in the labor market and match employers with the skilled workforce they need to compete in the global economy. The three principles of excellence at the core of WIOA are:

- ◆ The needs of businesses and workers drive workforce solutions, and local boards are accountable to communities in which they are located;
- ◆ One-Stop Centers (or American Job Centers) provide excellent customer service to job seekers and employers and focus on continuous improvement; and
- ◆ The workforce system supports strong regional economies and plays an active role in community and workforce development.

In June 2016, the Department of Labor and federal partner agencies released the WIOA Final Rule, which outlines the final regulations for the implementation of WIOA. This fact sheet provides information about the final regulations related to the WIOA youth program

*Program authorized by WIOA; regulations at 20 CFR Section 681*

## WIOA Youth Overview

### I. Program/Project Overview

- a. Annual Funding: PY 2016 - \$870,931,000
- b. Funding Mechanism: under Title I of WIOA, formula funds are provided to states and local areas for the operation of WIOA Youth programs, in accordance with 29 USC 2851 Chapter 4. Funds for youth services are allotted to states that, in turn, allocate funds to local areas based on a formula distribution as defined in Sec.127(b)(1)(C)(ii) of WIOA. Formula includes three factors: (1) the number of unemployed in areas of substantial unemployment; (2) the number of excess unemployed individuals; and (3) the number of economically disadvantaged youth.
- c. Target Population/Audience: Eligible Out-of-School Youth (OSY) ages 16-24 and In-School Youth (ISY) ages 14-21 who are low income. Priority on OSY through a minimum expenditure requirement of 75 percent on OSY. In PY 2015, 156,834 youth participated in the program.
- d. Predominant Training or Delivery strategy: comprehensive program that includes 14 program elements offered to youth with a priority on work experience through a minimum expenditure requirement of 20 percent of funds to be spent on work experience.
- e. Performance measures: 6 core indicators (details below)
- f. Major Accomplishments or Results: Achieve all 3 national performance targets in PY 2015 (based on WIA measures); through first 5 quarters of WIOA expenditures, on track to meet OSY 75 percent minimum expenditure requirement (79% OSY expenditure rate through 9/30/16)



# OFFICE OF WORKFORCE INVESTMENT

## II. *Unique Aspects*

- a. Note for Transition Team key decision points for this program: Final rule (681.400) changed procurement of youth service providers from mandatory to optional at discretion of Local Board. Preamble to final rule encouraged combination of direct service and procurement of youth providers based on what is most efficient and effective. We have heard from House Workforce Committee that they are not pleased with this change.

## WIOA YOUTH PROGRAM DETAIL

### Program Eligibility

An OSY is an individual who is:

- (a) Not attending any school (as defined under State law);
- (b) Not younger than age 16 or older than age 24 at time of enrollment; and
- (c) One or more of the following:
  - (1) A school dropout;
  - (2) A youth who is within the age of compulsory school attendance, but has not attended school for at least the most recent complete school year calendar quarter;
  - (3) A recipient of a secondary school diploma or its recognized equivalent who is a low-income individual and is either basic skills deficient or an English language learner;
  - (4) An offender;
  - (5) A homeless individual, a homeless child or youth, or a runaway;
  - (6) An individual in foster care or who has aged out of the foster care system or who has attained 16 years of age and left foster care for kinship guardianship or adoption, a child eligible for assistance under sec. 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement;
  - (7) An individual who is pregnant or parenting;
  - (8) An individual with a disability; or
  - (9) A low-income individual who requires additional assistance to enter or complete an educational program or to secure or hold employment.

An ISY is an individual who is:

- (a) Attending school (as defined by State law), including secondary and postsecondary school;
- (b) Not younger than age 14 or (unless an individual with a disability who is attending school under State law) older than age 21 at time of enrollment;
- (c) A low-income individual; and
- (d) One or more of the following:
  - (1) Basic skills deficient;
  - (2) An English language learner;
  - (3) An offender;
  - (4) A homeless individual, a homeless child or youth, or a runaway;
  - (5) An individual in foster care or who has aged out of the foster care system or who has attained 16 years of age and left foster care for kinship guardianship or adoption, a child eligible for assistance under sec. 477 of the Social Security Act (42 U.S.C. 677), or in an out-of-home placement;
  - (6) An individual who is pregnant or parenting;
  - (7) An individual with a disability; or
  - (8) An individual who requires additional assistance to complete an educational program or to secure or hold employment.



# OFFICE OF WORKFORCE INVESTMENT

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## 14 Program Elements

1. tutoring,
2. alternative secondary school services,
3. paid and unpaid work experiences,
4. occupational skill training,
5. education offered concurrently with workforce preparation and training,
6. leadership development opportunities,
7. supportive services,
8. adult mentoring,
9. follow-up services,
10. comprehensive guidance and counseling,
11. financial literacy education,
12. entrepreneurial skills training,
13. services that provide labor market and employment information, and
14. postsecondary education and training preparation activities.

## Performance Indicators

- Percentage of youth in unsubsidized employment, education, or training during the 2<sup>nd</sup> quarter after exit;
- Percentage of youth in unsubsidized employment, education, or training during the 4<sup>th</sup> quarter after exit;
- Median earnings of youth who are in unsubsidized employment during the 2<sup>nd</sup> quarter after exit;
- Percentage of youth who are in education or training and obtain a recognized postsecondary credential or a secondary school diploma or its recognized equivalent during participation or within 4 quarters after exit;
- Percentage of youth who, during the program year, are in education or training and who achieve a measurable skill gain;
- Effectiveness in serving employers (system-wide measure, not program specific)

